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July 27, 2001

RECEIVED

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Magalie Roman Salas
Secretary
Federal Communications Commission
445 Twelfth Street, SW
Room TWB-204
Washington, D.C. 20554

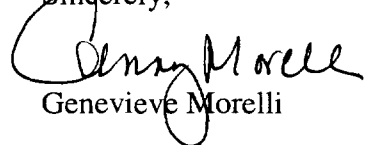
Re: Ex Parte Presentation in CC Docket No. 96-98

Dear Ms. Salas:

Yesterday, Joseph Gillan and I, representing the Promoting Active Competition Everywhere ("PACE") Coalition, and Peter Karoczka, Senior Vice President at InfoHighway Communications Corp., met with Commissioner Kevin Martin and his advisor Sam Feder to discuss proposals urging modification of the current rule governing when and where unbundled local switching ("ULS") must be made available to competitors. We urged the Commission to increase its line-based restriction to reflect the point at which a customer is sufficiently large to justify a high-speed connection to a CLEC-provided switch. The attached slides were used during the meeting.

In accordance with Section 1.1206 of the Commission's rules, an original and one copy of this letter is being filed with your office.

Sincerely,


Genevieve Morelli

cc: Commissioner Martin
Sam Feder

No. of Copies rec'd 041
List A B C D E

InfoHighway™

InfoHighway Communications Corporation Overview

July 25-26, 2001

- Leading Integrated Communications Provider serving the small- to medium-sized business market in NY, NJ, PA, MA, MD, DC and TX
- Combination of traditional CLEC and ISP offerings
- Marketing a fully bundled voice, data and Internet package
 - DSL Internet access with VPN support
 - Local and Long Distance telephone service
 - Voice Mail with Unified Messaging
 - Web Hosting, Domain and E-Mail services
- Single source of services for most customers

- Providing local service since 1994 in New York
- 150 employees serving 11 markets
- Over 23,000 lines in service
- Deployed \$6M in capital equipment to date (SuperPOPs, POPs, collocation facilities, DSLAMs)
- 85 commercial buildings and 10 collocation facilities connected to DSL/ATM network
- Raised \$45 million of \$150 million commitment in September 2000 to build Company and deploy network

Phase I

DSL and UNE-P Voice

- DSL Internet Access
- Local Voice and Data
- Web services

1999-2001

Phase II

VoDSL

- Voice-over-DSL
- Single loop for voice and data
- Value-added services

2002

Phase III

VoIP

- Voice-over-IP
- Internet-based services
- Fully integrated voice, data and video services

2003

- Marketing bundled products directly to end-user customers
- Install voice and data access (CLEC) as well as Internet services (ISP) and provide one-stop shopping and support

Introducing InfoHighway DSL.

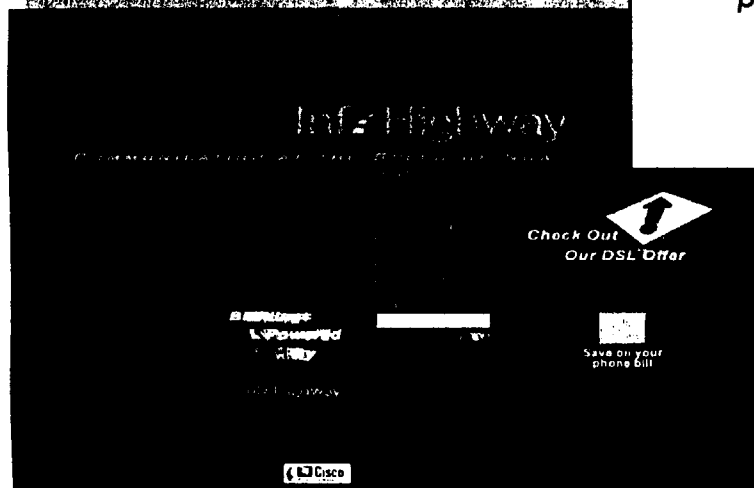


Think of it as your business Internet fast lane.

Level the competitive playing field with InfoHighway DSL.

InfoHighway's fast, dedicated DSL Internet solutions were developed specifically for the needs of companies like yours. Enjoy the benefits of the Internet - improved productivity, connectivity, and online presence - without spending a big business budget to get it.

InfoHighway DSL is a powerful and affordable business tool, quickly provisioned as soon as you say the word (that word is "now".)



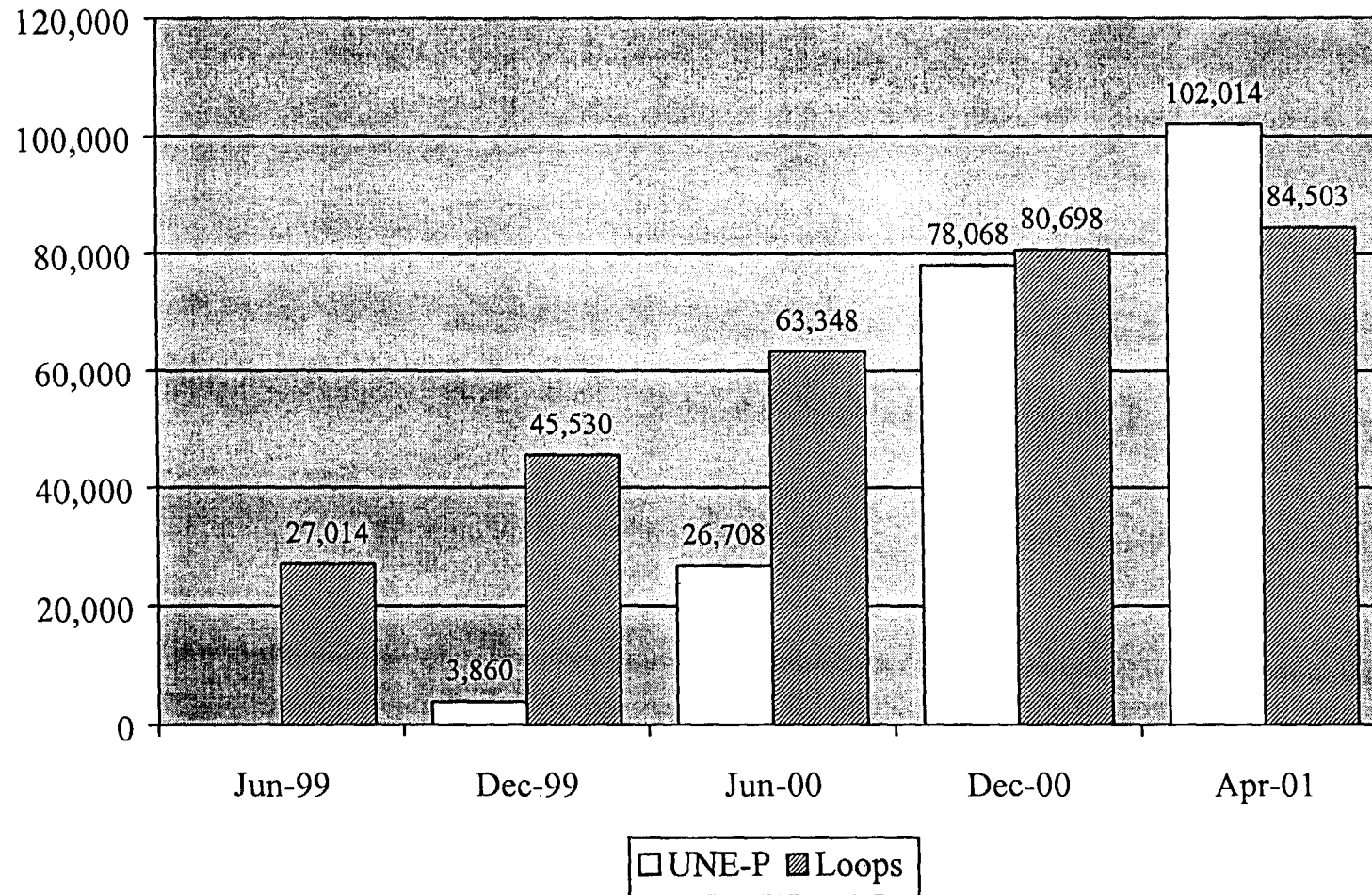
- State-of-the-art DSL service with VPN support
 - DSL access using both collocation and building-based deployment
 - Carrier-class ATM/IP data network
- Single bill and support for all services
- Simplified local service with Voice Mail and Unified Messaging
 - Customers can check their Voice Mail and faxes through the Internet
- Bundled voice, data and Web solutions targeted to small business below the DS1 level

- Voice services are essential for integrated offerings and for funding network deployment
- UNE-P is critical element of overall strategy
 - Allows differentiation from ILEC and other CLECs
 - InfoHighway operates as carrier of record
 - Facilitates migration to Voice-over-DSL/IP strategy
- No practical alternative exist for InfoHighway to serve small business customer
 - Traditional Class 5 infrastructure is cost prohibitive and not ubiquitous
 - When Voice-over-DSL/IP implemented, UNE-P will augment deployment

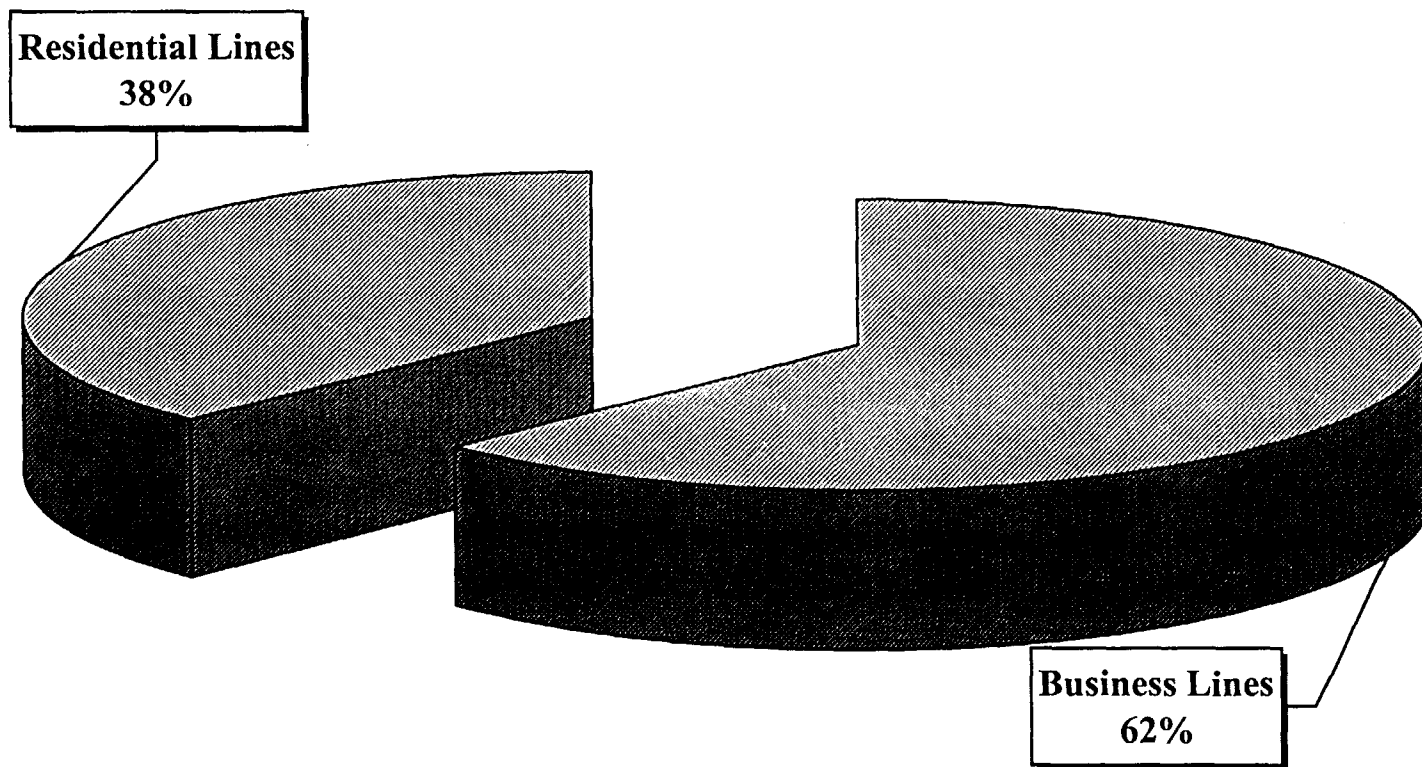
InfoHighway Request to FCC:

- Continue requirement for ULS and UNE-P

UNE-P Growth Spurs Local Competition (Georgia)

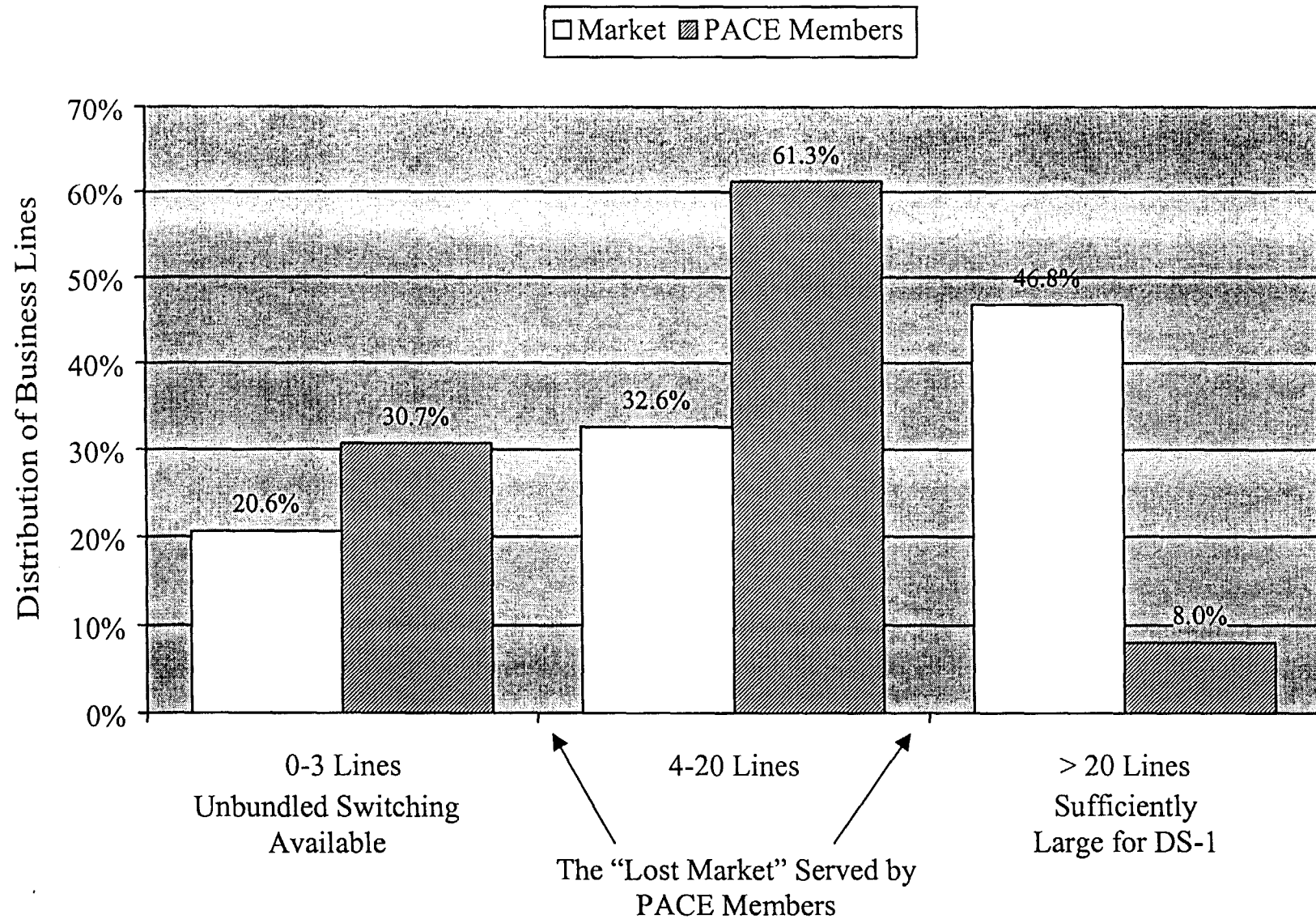


**Unbundled Local Switching is Critical to Business and Residential Competition
(Distribution of UNE-P Lines -- BellSouth Regionwide Total)¹**



¹ Excludes Tennessee. Chart summarizes BellSouth UNE-P volumes filed in connection with its State 271 Applications. BellSouth has not yet filed such data with the Tennessee Regulatory Authority.

UNE-P Brings Competition to a "Lost Market"



A Impairment-Based Restriction Increases the Local Switching Carve-Out

